MILWAUKEE JOURNAL (WI)
13 September 1985

A show of elegance

Rewald went 1st class in polo, jury told

By CHARLES MEMMINGER
Special to The Journal

Honolulu, Hawaii — Money flowed like a green river toward the polo fields of Mokuleia after former Milwaukee-area businessman Ronald Rewald took over the Hawaii Polo Club.

It was the job of Fenlyn Kimura, who testified Thursday in Rewald's fraud trial in Federal Court here, to make sure the river flowed at a pace that would ensure polo patrons were treated in a regal manner when they made the trek through the pineapple and sugar cane fields to Oahu's rural North Shore.

Rewald is charged with bilking investors out of millions in the collapse of his investment firm, Bishop, Baldwin, Rewald, Dillingham & Wong, some of which he allegedly spent on pet projects like the polociub.

Rewald says that he worked for the <u>CIA</u> and that the polo club was just a way to get to know international businessmen.

Kimura is a sister of Sunlin Wong, the former president of Bishop, Baldwin who is serving a two-year prison sentence for fraud.

She also was Rewald's personal secretary.

She was in charge of paying the bills that kept the polo balls bouncing and the horse hoofs pounding every Sunday afternoon at the beachside polo field.

And what bills!

It cost \$2,500 a week to rent the polo field and a practice field. It cost \$15,000 to repair damage done to the field by a hurricane in 1982.

A caterer was paid \$1,500 a week to put on a lavish buffet near the polo field. When dust kicked up by the horses began to get in the food, a water truck was brought in for \$300 a month to soak the field.

Rewald bought the polo club in 1982 for about \$30,000.

But that was just the beginning of the expenses. It cost about \$26,000 a month to run the club the way Rewald wanted, Kimura said.

Rewald insisted that everything be "nice and classy," from the slick polo

magazine to the blazers and ascots worn by the players. There was a string quartet and a large tent to shield visitors from the hot, Hawaiian sun.

At a polo dance thrown by Rewald at the Waialae Country Club, Rewald spent \$3,437 so that each man could have a solid plastic cube with the polo club logo inside. Each woman attending the ball received a rose.

The men wore tuxedos, and Rewald told Kimura privately he was afraid the local polo players might show up wearing white socks.

Rewald sometimes paid for entire polo teams to fly to Hawaii, Kimura said. And any team that came to Hawaii was put up for free at a local hotel.

Rewald, 42, was born and raised on the south side of Milwaukee, graduated from South Division High Schoool and attended Milwaukee Area Technical College when it was known as the Milwaukee Institute of Technology, which apparently laid the basis for claims to people he wanted to impress that he attended MIT

He was president of the old College Athletic sporting goods store in Milwaukee, which went bankrupt in the mid-1970s.

In 1976 he pleaded guilty in Wausau to selling unregistered franchises in a sporting good store and was fined \$2,500.

The jury also was told Thursday about Rewald's expensive taste in women. Three of them took the stand to describe in sometimes embarrassed, hushed tones, how they came to know Rewald.

Kim Zitter, a secretary for two lawyers who worked for Rewald, said Rewald "seemed to be the answer to my prayers." He paid her \$600 a month beginning in 1980 and continuing until the collapse of Bishop, Baldwin in 1983.

She said she had "social contact" with Rewald at her apartment on four occasions. She also invested more than \$5,000 of her own money in the company which she lost in the collapse.

Carol Sallas said Rewald asked her to "spend some time with him" in 1981. Sallas was helping a contractor decorate Rewald's house and at first declined, she said.

She eventually did have sex with him on several occasions in the downtown apartment in which other women have said they also visited with Rewald. She at first refused to accept a \$500 check Rewald offered, but later changed her mind, she testified

Rewald continued to send her checks, she said. In all, Salias received \$14,000 from Rewald, testimony showed.

Jeanette Roberson, a part-time legal secretary, said she received a \$1,000 a month from Rewald beginning in 1981. The money was to help her get through college. She, too, eventually had sex with Rewald. After the collapse of Bishop, Baldwin, Roberson said she realized that Rewald had given her the money because she agreed to have sex with him.

In all, Rewald spent \$270,000 of investors money on women, the government contends.

Federal Judge Harold Fong said Thursday that he would not issue arrest warrants for two women including a former Playboy centerfold model — who failed to appear to testify.

The women's attorney, Arthur Reinwald, assured Fong that the women were on their way from the

Cindy Brooks, Playboy Magazine's 1985 Miss April, and Susan McGinnis will return to Hawaii to testify, Reinwald said.